



“Acquisition Lessons Learned” Town Hall

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**SECOND ANNUAL
DOD ACQUISITION INSIGHT DAYS
20-22 APRIL 2009 • DAYTON, OHIO**



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Worst: Army's Advanced Reconnaissance Helicopter (ARH)

- ▶ Nunn-McCurdy breach on cost and schedule . . . I could go on . . .
- ▶ Conceived as a rapidly implementing adaptation of commercial-off-the-shelf technology embodied in the existing OH-58
- ▶ Three crucial lessons:
 - ***Know your dance partner***: Army failed to carefully assess where Bell was an enterprise and what it could be expected to do
 - ***Shape expectations after careful, and objective, review of history***: There is a fairly rich history of helo modification programs; none have achieved anything like the schedule that ARH assumed
 - ***Don't create program predicated on an assumption that you aren't prepared to enforce***: Army permitted its organization to impose a host of requirements that invalidated the COTS characteristics of the configuration



Best: Army's Aerial Common Sensor (ACS)

- ▶ PM concluded, less than a year after milestone B, that contractor and technical approach were not capable of achieving goals
 - ***He recommended program cancellation, which was done***
- ▶ There were several problems, but the selection of the air platform was the most critical
 - Weight of wave-guides and wiring not included in payload estimates
 - Choices on the table were un-attractive: new platform or de-scope
 - Either was tantamount to starting over . . . So why not?
- ▶ PM was in a fairly common conundrum: Navy's ASDS and EFV programs are two more current programs with this feature
- ▶ Starting over has two big advantages: ***sends a signal*** to industry; and ***establishes a new brand name*** with



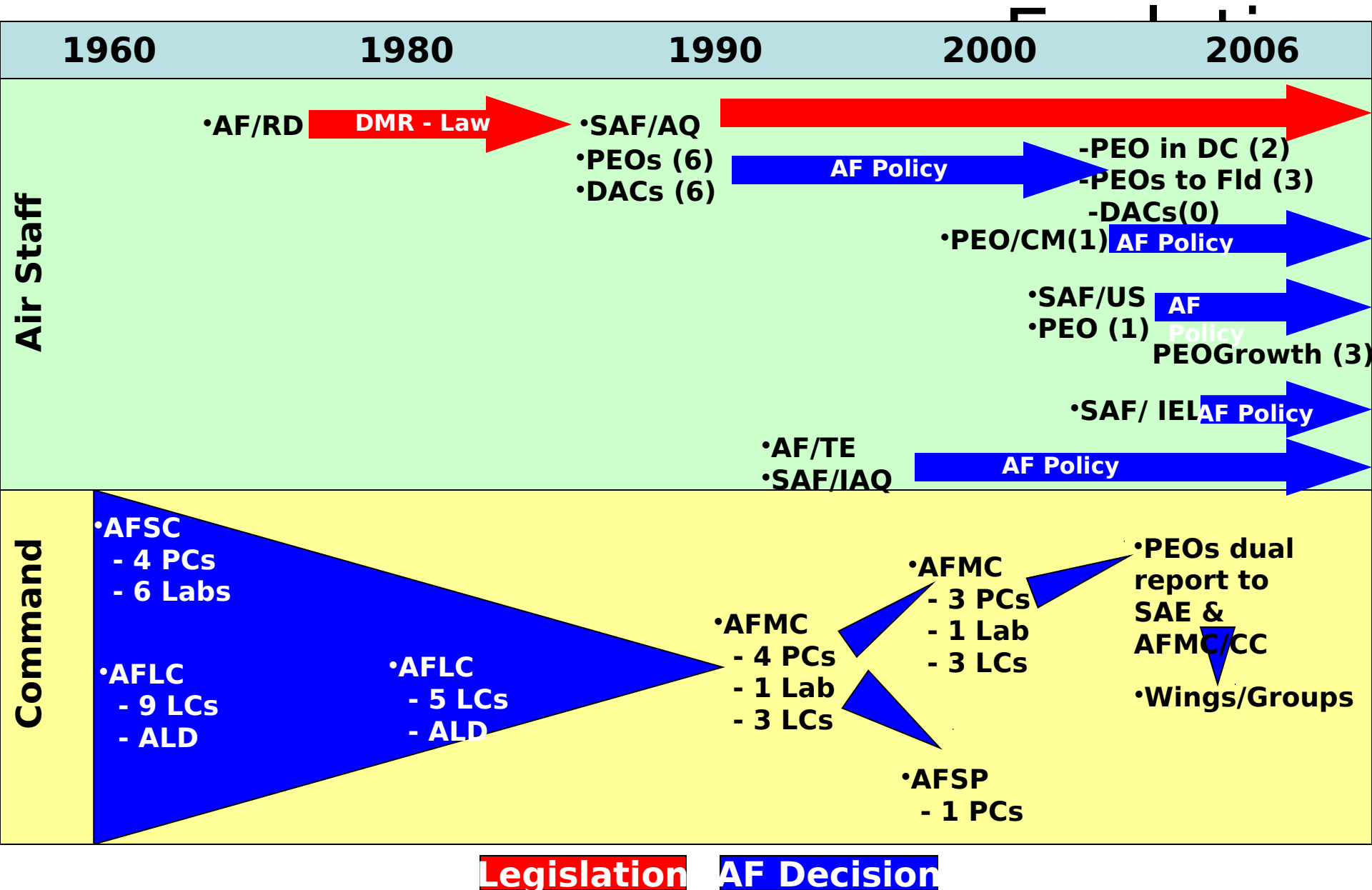
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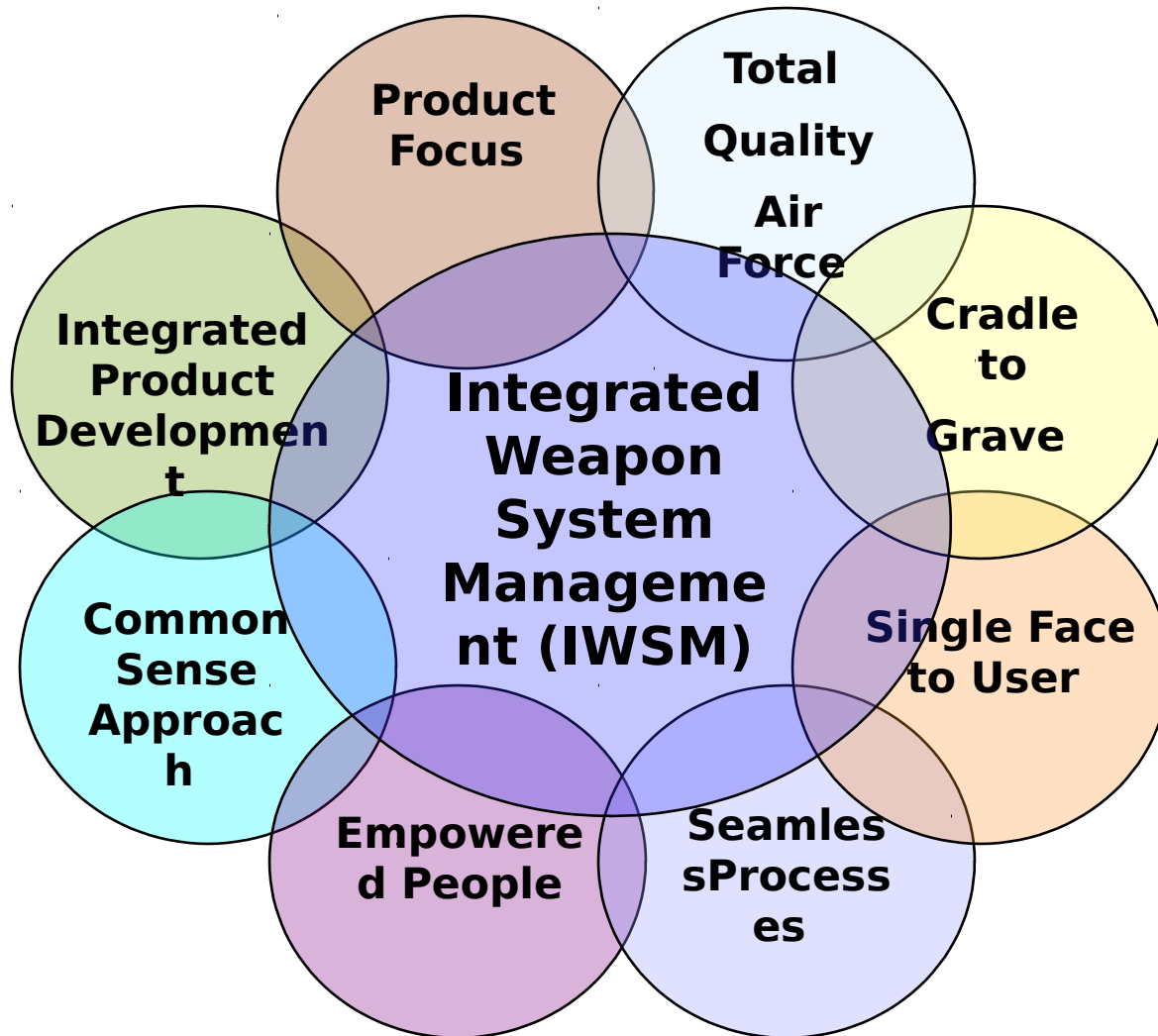
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Background—Organizational



IWSM



IWSM Principles

- Increase System Program Director (SPD's) Authority/Single Business Decision Authority
- Create Integrated Product Teams
- Maintain Mgmt Continuity
- Build New Partnerships
- Consolidate AF Acquisition

Lessons Learned

- Strong cultural differences between acquisition and sustainment
 - Reorg does not fix it!!
- Chain of Command
 - ALC Commander vs Product Center vs PEO
- Accountability/Authority not Aligned
- Platform Centric Approach – Lack of System Commonality
 - Avionics, Support Equipment, etc
- Lack of Sustainment Expertise at Product Centers
 - Results in more Sustainment Outsourcing
 - Sustainment took “Backseat”
- Breadth of PEO Responsibility
 - Sustainment Overwhelming
- Personnel Assignment Process
 - SAE made assignments vs Commander
 - “Rice Bowls”



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Headquarters U.S. Air Force

Integrity - Service - Excellence

DoD Acquisition Insight Days Lessons Learned



**Mr. Grover L. Dunn, SES
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U.S. AIR FORCE

April 21, 2009

TWO VIEWS

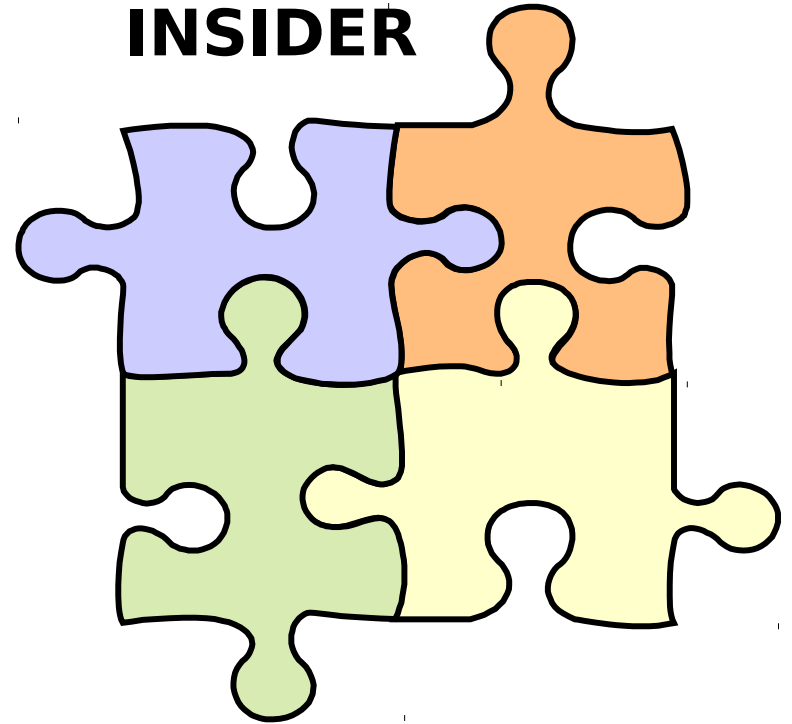


OUTSIDER



**IT TAKES TOO
LONG AND
COSTS TOO
MUCH**

INSIDER



**IT'S A MIRACLE
ANYTHING EVER
GETS DELIVERED**

What Hasn't Changed

- Customer Demand - the pressure to deliver
- Customer Behaviors - Insatiable requirements
- Pressure to “do it right” - even if we can’t define “right”
- Organizations divisions - Within/Without AFMC
- Vertical Stovepipes
- Washington focus
- Uncertainty
- Process complexity

What Has Changed



BAD

- Eliminated AQ Log Guidance
- Demise of AFALC
- Career Field Changes
- Performance Rqmts
- Process Complexity
- Direct ACTD Fielding
- LCC Costing
- AFSC/AFLC Merger

GOOD

- Training and Skills
- Eliminated PMRT
- PEO Streamlining
- Innovation/Rewarding Risk
- Policy Integration
- New Tools - Acq/Sus TK, LHA, ILA

**The More They Change - The More They Stay
The Same**

Some Thoughts



- **Avoid the Flavor of the Month**
 - **Concentrate on the basics**
- **It's all about Process**
 - **Customer value is the Measuring Stick**
- **Focus on Delivery not Washington**
 - **Time is Money**
- **Uncertainty is inevitable - control/stability illusionary**
 - **Ride the bull - Manage your risks**
- **Experimentation good**
 - **Failures are learning experiences**
- **Credibility and consistency are important**
 - **Know when to say NO**
- **Changing Culture is really hard**
 - **Hour of crisis comes change**

America's Air Force . . . No One Comes Close



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